

5 authorized to do business in this state, as set forth in section five
6 hundred fifteen point forty-nine (515.49) of the Code".

1 SEC. 4. Section five hundred twenty-one point thirteen (521.13),
2 Code 1966, is hereby repealed and the following is enacted in lieu
3 thereof:

4 "No company or companies as described in section five hundred
5 twenty-one point one (521.1) of the Code shall consolidate or reinsure
6 except insofar as provided by section five hundred fifteen point forty-
7 nine (515.49) of the Code with any other company or companies not
8 authorized to transact business in this state."

Approved April 28, 1967.

CHAPTER 372

MORTGAGE GUARANTY INSURANCE

S. F. 56

AN ACT relating to mortgage guaranty insurance.

Be It Enacted by the General Assembly of the State of Iowa:

1 SECTION 1. Section five hundred fifteen C point one (515C.1),
2 Code 1966, is hereby amended by inserting in line eight (8) after the
3 word "estate" the words "or on an owner-occupied mobile home".

1 SEC. 2. Section five hundred fifteen C point five (515C.5), Code
2 1966, is hereby amended by striking the last sentence in said section
3 and inserting in lieu thereof the following:

4 "Coverage may be provided only if the properties in such tract are
5 residential buildings, buildings designed for occupancy by not more
6 than four (4) families, or owner-occupied mobile homes."

1 SEC. 3. Section five hundred fifteen C point eight (515C.8), Code
2 1966, is hereby amended by inserting in line five (5) after the word
3 "dwellings" the words "and owner-occupied mobile homes,".

Approved May 11, 1967.

CHAPTER 373

MORTGAGE LIABILITY INSURANCE

H. F. 236

AN ACT relating to the contingency reserve and coverage of mortgage liability insurance.

Be It Enacted by the General Assembly of the State of Iowa:

1 SECTION 1. Section five hundred fifteen C point four (515C.4),
2 Code 1966, is amended by striking lines one (1) through eleven (11)

3 and the words "months has elapsed" in line twelve (12), and by in-
 4 serting in lieu thereof the following:

5 "For the protection of the people of this state and for the purpose
 6 of protecting against the effect of adverse economic cycles, the com-
 7 pany shall establish a contingency reserve. The company shall annu-
 8 ally contribute fifty percent of the earned premiums to this reserve.
 9 The earned premiums so reserved may be released annually after the
 10 period of time required by the commissioner, provided that said time
 11 shall not be less than one hundred twenty (120) months."

1 SEC. 2. Chapter five hundred fifteen C (515C), Code 1966, is
 2 amended by adding the following new section:

3 "A mortgage guaranty insurer in addition to coverage provided
 4 under section five hundred fifteen C point five (515C.5) of the Code
 5 may insure mortgages secured by first lien upon improved real estate
 6 which is used for commercial purposes, except for those types of com-
 7 mercial properties specifically excluded by the commissioner of insur-
 8 ance."

Approved May 18, 1967.

CHAPTER 374

UNINSURED MOTOR VEHICLES COVERAGE

H. F. 561

AN ACT relating to motor vehicle liability insurance and protection against uninsured motor vehicles and hit-and-run motor vehicles.

Be It Enacted by the General Assembly of the State of Iowa:*

1 SECTION 1. No automobile liability or motor vehicle liability insur-
 2 ance policy insuring against liability for bodily injury or death arising
 3 out of the ownership, maintenance, or use of a motor vehicle shall be
 4 delivered or issued for delivery in this state with respect to any motor
 5 vehicle registered or principally garaged in this state, unless coverage
 6 is provided in such policy or supplemental thereto, for the protection
 7 of persons insured under such policy who are legally entitled to re-
 8 cover damages from the owner or operator of an uninsured motor
 9 vehicle or a hit-and-run motor vehicle because of bodily injury, sick-
 10 ness, or disease, including death resulting therefrom, caused by acci-
 11 dent and arising out of the ownership, maintenance, or use of such
 12 uninsured motor vehicle, or arising out of physical contact of such
 13 hit-and-run motor vehicle with the person insured or with a motor
 14 vehicle which the person insured is occupying at the time of the acci-
 15 dent. Such coverage shall include limits for bodily injury or death at
 16 least equal to those stated in subsection ten (10) of section three hun-
 17 dred twenty-one A point one (321A.1) of the Code. The form and
 18 provisions of such coverage shall be examined and approved by the
 19 commissioner of insurance.

*According to enrolled Act.